LISTING OF CLAIMS:

The following listing of claims replaces all other prior versions and listings of claims in the application. Additions are indicated by <u>underlining</u> and deletions are listed by <u>strikethrough</u>.

- 1. (Previously presented) A method for evolving a protein encoded by a DNA substrate molecule comprising:
- (a) digesting at least a first and second DNA substrate molecule, wherein the at least a first and second substrate molecules differ from each other in at least one nucleotide, with a restriction endonuclease;
 - (b) ligating the mixture to generate a library of recombinant DNA molecules;
 - (c) screening or selecting the products of (b) for a desired property; and
 - (d) recovering a recombinant DNA substrate molecule encoding an evolved protein.
- 2. (Previously presented) The method of claim 1, wherein the restriction endonuclease generates non-palindromic ends at cleavage sites.
- 3. (Previously presented) The method of claim 1, wherein the substrate molecules have been engineered to contain at least one recognition site for a restriction endonuclease having non-palindromic ends at cleavage sites.
- 4. (Previously presented) The method of claim 1, wherein (a) (d) are repeated.
- 5. (Previously presented) The method of claim 1, wherein the DNA substrate molecule comprises a gene cluster.
- 6. (Previously presented) The method of claim 1, wherein at least one restriction endonuclease fragment from a DNA substrate molecule is isolated and subjected to mutagenesis to generate a library of mutant fragments.

- 7. (Previously presented) The method of step 6, wherein the library of mutant fragments is used in the ligation of (b).
- 8. (Previously presented) The method of claim 7, wherein the DNA substrate molecule encodes all or part of a protein selected from Table I.
- 9. (Previously presented) The method of claim 6, wherein mutagenesis comprises recursive sequence recombination.
- 10. (Previously presented) The method of claim 1, wherein the products of (d) are subjected to mutagenesis.
- 11. (Previously presented) The method of claim 10, wherein mutagenesis comprises recursive sequence recombination.
- 12. (Previously presented) The method of claim 1, wherein the products of (d) are used as a DNA substrate molecule in (b).
- 13. (Previously presented) The method of claim 10, wherein the products of claim 10 are used in(d).
- 14. (Previously presented) The method of claim 1, wherein the recombinant DNA substrate molecule of (d) comprises a library of recombinant DNA substrate molecules.
- 15. (Canceled).